



Confederated Tribes of Warm Springs, Oregon
Public Utilities Branch
PO Box 1196
Warm Springs, OR 97761
Phone: 541-553-3246
Fax: 541-553-3380

Re: AGENCY RESOURCE EXPENDITURE ON PROJECTS TO SUPPORT SDWA SECTION 1414 & 1431 EPA ORDERS TO THE CONFEDERATED TRIBES OF THE WARM SPRINGS RESERVATION OF OREGON

Date: November 15, 2019, Ve

Agency Management:

As you are aware the Confederated Tribes of Warm Springs Reservation of Oregon (TRIBES) are under two Safe Drinking Water Act Orders from the U.S. EPA, Region 10 (EPA) to address potable water distribution and treatment deficiencies related to the Dry Creek Surface Water Plant owned/operated by the TRIBES.

The TRIBES are holding four pots of grant dollars which they would like to use to help address the orders' requirements including deficiency items, these are:

- | | |
|---|--------------|
| 1. HUD grant monies in the amount of | \$427K |
| 2. BIA grant monies in the amount of | \$343K |
| 3. IHS/EPA grant monies in the amount of | \$141K |
| 4. <u>CTWS internal monies in the amount of</u> | <u>\$72K</u> |
| Total | \$983K |

Note: There is an additional \$20K in the HUD pot allocated to administration and indirect cost not included in this summary.

IHS/EPA has confirmed the continuing availability of the \$141K L71 funds and their use for the purposes set forth in this correspondence. Please see confirmation attached as Appendix B.

The TRIBES are proposing to spend the monies in the following manner:

- | | |
|--|---------------|
| 1. IHS/EPA, BIA, and HUD funds allocated for water treatment facilities studies; Engineering Report, including filter media evaluation in the sum of | \$239K |
| 2. <u>BIA, HUD, and TRIBES funds allocated to historically identified projects in the sum of</u> | <u>\$744K</u> |
| Total | \$983K |

Section I: Proposed Spending Plan

It is intended that the monies shall be spent utilizing a Design/Build approach, with work packaged into four discipline-specific packs. The breakdown is demonstrated in Table 1.



		Package 1			Package 2			Package 3			Package 4			Total
		M & Process			E & ICA			Civil			Building			
Engineering Study	HIS \$:00	17			17			23.5			23.5			\$ 141
	Evaluation	20	30		48									\$ 98
	Sub Total 1	\$ 97.00			\$ 95.00			\$ 23.50			\$ 23.50			\$ 239
Design Build Projects	Project #	BIA \$:00	HUD \$:00	CTWS \$:00	BIA \$:00	HUD \$:00	CTWS \$:00	BIA \$:00	HUD \$:00	CTWS \$:00	BIA \$:00	HUD \$:00	CTWS \$:00	
	Project Name													
	1 Backwash/Sludge Pond Lining							60						\$ 60
	2 PAC Plant Enclosure		30											\$ 30
	3 Filter Media Replacement	38	29											\$ 67
	4 Finished Water Pumps	60	60		25	30								\$ 175
	5 HVAC										42		23	\$ 65
	6 Intake Screen		48											\$ 48
	7 SCADA				100		49							\$ 149
	8 Raw Water Pumps		60		10	30								\$ 100
	9 WTP WW System							50						\$ 50
	Sub Total 2	\$ 98	\$ 227	\$ -	\$ 135	\$ 60	\$ 49	\$ -	\$ 110	\$ -	\$ 42	\$ -	\$ 23	\$ 744
	Sub Total 3	\$ 325			\$ 244			\$ 110			\$ 65			\$ 744
	TOTAL	\$ 422			\$ 339			\$ 134			\$ 89			\$ 983

Table 1: Financial Breakdown of Funds

The contracting documentation will follow the Engineering Joint Contracting Documentation Committee's (EJCDC) formulation. The EJCDC is comprised of 22 articles covering:

Article 1 – Definitions	Article 13 – Submittal of Proposal
Article 2 – Preproposal Conference	Article 14 – Modifications and Withdrawal of Proposal
Article 3 – Proposers Representative	Article 15 – Opening of Proposal
Article 4 – Examination of Site	Article 16 – Proposal to Remain Subject to Acceptance
Article 5 – Interpretation and Addenda	Article 17 – Interview with Proposers
Article 6 – Technical Proposal	Article 18 – Evaluation of Proposals
Article 7 – Price Proposal	Article 19 – Rejection of all Proposals; Discrepancies
Article 8 – Proposal Security	Article 20 – Award of Contract
Article 9 – Contract Time	Article 21 – Bond and Insurance
Article 10 – Liquidated Damages	Article 22 – Signing of Agreement
Article 11 – Formal Requirements	
Article 12 – Subcontractor, Design Prof., Suppliers, others	

As part of the EPA Emergency Order, the TRIBES are required to produce an Engineering Study that yields prioritized lists of deficiencies in both the distribution and water treatment and supply systems.

The Engineering Report for the distribution system will comprise of the collection and collation of several completed and ongoing work activities, including:

1. A summary report of the emergency repair to the Shitike Creek crossing
2. A summary report and the O&M manual produced for the PRV/Flow Control Emergency Repair work



3. The executive summary from the IHS/CW report on the permanent Shitike Creek Crossing Proposal
4. The prioritized list of main repairs identified as output from the IHS/CW leak detection study, and
5. A control document listing staff collected and collated information, diagrams, drawings, and specifications of the distribution system

The Engineering Report for the water treatment facility will be a collection and collation of the engineering evaluations undertaken by the discipline specific project Design/Build teams. The combination of the individual reports shall provide a complete assessment of the WTPs facilities. The specific disciplines for the individual reports shall be:

1. Mechanical & Process
2. Electrical, & ICA
3. Civil infrastructure
4. Building facilities

Each Discipline shall report a prioritized list of deficiencies, prioritized by Highest Risk of Failure as measured by Capacity, Condition, Compliance, and Efficiency, and poorest remaining useful life. These lists shall be used to formulate 1, 2, 5, 10-year Operational Expenditure (OpEx), and Capital Expenditure (CapEx) works plans.

The currently identified projects will be undertaken by the discipline specific teams in parallel to the Engineering Study. Where this is considered inappropriate by the project review/management team and not a good use of the monies the projects will be delayed awaiting the recommendations of the Engineering Report, and the appropriate highest priority item will then be addressed by the discipline specific project team constrained to the previous allocated funds.

Currently, BIA and HUD monies are allotted to specific projects as shown in Table 1. With the issuance of the EPA Emergency Order, the Engineering Study/Report mandated thereunder has caused a need to reprioritize spending and re-program some funds. This correspondence is intended to the ability to reallocate the assigned monies to the Highest Risk, Poorest Quality assets.

Section II: Request for Federal Agency Coordination and Agreement

The TRIBES would appreciate your confirmation that this methodology of expending the agencies funds is acceptable and in line with accepted methodologies. That is the agencies see no conflict of interest in this proposal and they will work with the TRIBES to enable full expenditure of the funds in the most appropriate way.

The TRIBES request that the agencies provide to the TRIBES as soon as practically possible any policies, plans, processes, procedures, practices, or performance measures (6Ps) that the agencies will require for implementation of the methodology set forth in this correspondence to facilitate the TRIBES' review, consideration, and implementation.

If you agree with and approve of the expenditure methodology set forth in this correspondence, please acknowledge your acceptance by signing the acknowledgement in Appendix A.



Section III: Proposed Schedule and Extension Request

Our schedule for this work is very aggressive given this is a federally funded exercise. Our outline schedule is illustrated in Figure 1. Based on this schedule, the TRIBES anticipate submitting an engineering report for both the treatment plant and distribution system no later than June 30th, 2020. Accordingly, the TRIBES request EPA to extend the due date of the engineering report required under the SDWA Emergency Order from November 15th, 2019 until June 30th, 2020 and to document such extension in writing signed by duly authorized officials.

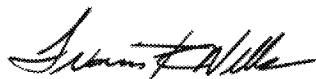
We would appreciate your prompt response to this letter and look for your agreement prior to our next meeting Wednesday November 13th, 2019.

2019			2020						
Oct	Nov	Dec	Jan	Feb	March	April	May	June	July
START	Draft RFP								
		Review							
			Tender Response						
				Selection					
					Negot. NTP				
						Project Execution			
					Eng. Report: D/B:	Evaluation	Consolidate Implementation	Report	

Figure 1: Preliminary Schedule (10/30/2019)

We appreciate your help and support.

Kind regards



Travis R. Wells
Branch of Public Works General Manager

Cc:

Michele Stacona, CEO
Alfred Estimo, Finance Director
Libby Chase, Purchasing Manager
Bruce Irwin, Development Director
Chico Holiday, Water Wastewater Supervisor
Keith Whisenhunt, P.E., Principal PDG
Barry Buchanan, P.E., Principal B&A



APPENDIX A:

Acknowledgements

Agency representative to initial each box below to indicate approval and understanding, and under separate cover return this letter along with any appropriate agency support or requested data.

FUND EXPENDITURE METHODOLOGY APPROVAL				
Column #:	Column 1	Column 2	Column 3	Column 4
AGENCY	Agency will accept EJCDC forms of Contract (If not please provide alternate)	Agency has NO CONFLICTS with Engineering Study/Report & Design/Build Methodology	Will Enable Methodology to Move monies between Existing and Newly Identified Higher Priority Projects	Agency has appropriate "6Ps" that enable Methodology to move forward. (List references as appropriate)
HUD	<i>JHC</i>	<i>JHC</i>	<i>JHC</i>	<i>JHC</i>
BIA	BKM	BKM	BKM	BKM
IHS	DSH	DSH	DSH	DSH
EPA				

Table 2: Implementation Methodology Acknowledgement

Table 2 Notes:

1. All Contracts to be awarded in accordance with tribal Acquisition regulations.
2. BIA funding was previously provided via 638 Contract.
3. Column 3. Current BIA funding was provided to accomplish specific work items which have NOT been completed. Re-programing of BIA funding will require BIA approval prior to shifting funds. An email showing cost and schedule details will suffice.
4. Column 4. BIA reference 638 Program Regulations.
5. BKM ... Bryan K. Mercier, BIA NW Regional Director.
6. Contract Documents will need to include contract provisions required by ICBG regulations @ 1003,501 (a)(13), specifically those used in part 200, Appendix II [except for (D) & (E)]
7. JHC ... Thomas H. Carney, US DoHUD Administrator NwONAP Office of Public & Indian Housing
8. IHS will be given an opportunity to review packages before they are sent out to tender
9. DSH ... Derek S. Hancey, for Marcus Martinez, Director Portland Area OEHE, IHS.



Agency Signature Block, agency please complete:

Accepted as of the dated below:

U.S. Department of Housing and Urban Development (HUD)		Bureau of Indian Affairs (BIA)	
Name:		Name:	
Title		Title	
Date:		Date:	
Indian Health Service (IHS)		United States Environmental Protection Agency (EPA)	
Name:		Name:	
Title		Title	
Date:		Date:	



APPENDIX B:

EMAIL OF CONFIRMATION OF IHS/EPA FUNDS AVAILABILITY

Thu 10/17/2019 12:02 PM

Clark, Johnny Clark.Johnny@epa.gov

Re: IHS Project PO-13-L71 – 1A No.: 7595852101-2

LT Hancey,

Thank you for the updates regarding this project. It is the last project remaining for completion on this Interagency Agreement (IA). The project scope remains the same and the project (PO-13-L71) appears to be proceeding accordingly.

According to the financial data that I've reviewed, the funds obligated for this IA and project are sufficient to complete the project by September 9, 2020. Let me know if you have additional questions.

Thank you

Johnny Clark

From: Hancey, Derek (IHS/POR) <Derek.Hancey@ihs.gov>
Sent: Thursday, October 17, 2019 10:44 AM
To: Clark, Johnny <Clark.Johnny@epa.gov>
Cc: Baron, Adam <Baron.Adam@epa.gov>; Haugland, Craig J. (IHS/POR) <Craig.Haugland@ihs.gov>; Chadwick, Benjamin R (IHS/POR) <Benjamin.Chadwick@ihs.gov>
Subject: IHS Project PO-13-L71 - IA No. 7595852101-2

Hi Mr. Clark,

I have been coordinating with Warm Springs to implement IHS project L71 over this coming fall and winter. The WTP structural, mechanical & electrical systems, site, and unit process assessments will support development of the water system engineering assessment mandated by the emergency order, in addition to scoping and prioritizing high-priority repairs with available BIA and HUD Imminent Threat funds. The Tribe's contracted project manager is preparing RFP solicitation packages for six separate assessments which will be provided to IHS and EPA for review prior to being sent out for proposals.

www.warmsprings-nsn.gov



Please let me know if you have any questions or if you would like to be included in future coordination meetings.

Sincerely,

LT Derek Hancey, P.E.

Environmental Engineer Consultant

Division of Sanitation Facilities Construction

Portland Area Indian Health Service

1414 NW Northrup Street, Suite 800

Portland, OR 97209

503-414-7784



Our Mission...to raise the physical, mental, social and spiritual health of American Indians and Alaska Natives to the highest level.

